Loan for Andhra Pradesh from Japan Bank

100. SHRIMATI N.P. DURGA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the State Government of Andhra Pradesh has sought Rs.3,560 crores loan from Japan Bank for International Cooperation and for this purpose requested the Central Government for giving clearance from the Ministry and the Planning Commission;

(b) if so, the details thereof; and

(c) what action the Ministry has taken to clear the proposal?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) The following five proposals from Government of Andhra Pradesh have been received in the Ministry of Finance for JBIC assistance:

Sl. No.	Name of Project	Amount in Rs. crores
1.	Modernization and Strengthening of Transmission system in the twin cities of Hyderabad and Secunderabad	715.30
2.	Short Gestation Power Transmission Scheme-II	363.78
3.	400 KV Ring main round twin cities of Hyderabad and Secunderabad	473.19
4.	Outer Ring Road Project, Hyderabad	3000
5.	Andhra Pradesh Minor Irrigation and Livelihood Project	1930

Out of five proposals received from Govt. of Andhra Pradesh, proposals at S.No. 1 and 5 have been posed to Government of Japan for FY 2006 ODA loan package for JBIC loan and proposals at S.No. 2, 3, and 4 have been kept in the Rolling Plan for FY 2006—08 for JBIC loan.

RBI's clamp down on borrowing from overseas corporate bodies

101. SHRI C. PERUMAL: Will the Minister of FINANCE be pleased to state:

(a) whether private insurance companies face difficulties in view of the Reserve Bank of India's clamp down on borrowing from overseas corporate bodies;

(b) if so, the details thereof; and

(c) whether this will have effect on insurance penetration to global level as necessary capital will not be available?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) No, Sir. the Insurance Regulatory and Development Authority (IRDA) has reported that the private insurance companies are permitted to raise funds through the equity route. These funds are raised from their promotor shareholders. Both the domestic and foreign partners have the necessary resources to meet the capital requirements as stipulated under the regulatory frame work.

(c) Does not arise.

Loans to farmers at seven per cent interest rate

102. SHRI MOTILAL VORA:
MS. SUSHILA TIRIYA:

Will the Minister of FINANCE be pleased to state:

(a) the details of farmers who have been provided loans by the banks at the rate of seven per cent alongwith the amount of said loan upto June, 2006 after Government's announcement of providing short-term loan to the farmers at the rate of seven per cent;

(b) whether Government are aware that Co-operative banks have shown their inability to provide loans to the farmers at the rate of seven per cent; and

(c) if so, the steps taken by Government to provide short-term loan to the farmers at the rate of seven per cent?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) In pursuance to the Government announcement to provide Short-Term Credit to the farmers, upto a principal amount of Rs. 3 lacks for Kharif and Rabi 2006-07, Reserve Bank of India has issued guidelines to Public Sector Banks and NABARD has issued guidelines to Regional Rural Banks and Cooperative Banks. Out of the target for agriculture credit flow of Rs. 1,75,000 crore for 2006-07 it is estimated that Rs. 1,20,000 crore will be in the nature of Short Term